

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

SAPNA FOODS, INC.,

Plaintiff,

v.

THE OLIVE OIL FACTORY, LLC,

Defendant.

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CIVIL ACTION NO.

COMPLAINT

Sapna Foods, Inc., by and through its attorneys, Polsinelli PC, brings this action against The Olive Oil Factory, LLC (“TOOF”), stating as follows:

PARTIES, JURISDICTION, VENUE

1. Sapna Foods, Inc. is incorporated in Georgia and maintains its principal place of business at 2280 Mountain Industrial Boulevard, Tucker, Georgia 30084. Sapna Foods, Inc. is therefore a citizen of the State of Georgia for diversity purposes.

2. TOOF is a Delaware limited liability company and maintains its principal place of business at 770 Chadbourne Road, Fairfield, California 94534. TOOF may be served through its registered agent, Kellie Miller, also located at 770 Chadbourne Road, Fairfield, California 94534.

3. On information and belief, each member of TOOF is a citizen of the State of California. TOOF is therefore a citizen of the State of California for diversity purposes.

4. Jurisdiction and venue are proper in this Court because the parties are citizens of different states and the amount in controversy is greater than \$75,000, because the parties' agreement was entered into and performed in Tucker, Georgia, a substantial part of the events giving rise to Plaintiff's claim occurred in Tucker, Georgia, and because the parties agreed that proceedings for the resolution of disputes arising under or in connection with their Agreement shall be in the federal or state courts of Fulton County, Georgia or Dekalb County, Georgia.

FACTS

5. Sapna Foods, Inc. is an international food importer and blender that sources and supplies high quality ingredients to its customers.

6. TOOF and Sapna Foods, Inc. have worked together in preparation of custom specialty blends of spices since December 2019.

7. In September 2021, TOOF engaged Sapna Foods, Inc. to prepare samples of a specialty blend ultimately called "Ancho Chili Krisp Blend" (the "**Ancho Blend**") for TOOF.

8. TOOF provided the exact specifications for the Ancho Blend and identified the specific ingredients it required in this unique product. Sapna Foods, Inc. then delivered 16 sets of samples of the Ancho Blend to TOOF as per TOOF's specifications.

9. TOOF then purchased three orders of the Ancho Blend from Sapna Foods, Inc., paying for each order in full.

10. TOOF then indicated interest in purchasing 150,000 pounds of the Ancho Blend. In March 2022, Sapna Foods, Inc. issued the terms associated with this purchase, and in July 2022, TOOF consented to those terms through issuance of a purchase order for 150,000 pounds of the Ancho Blend at a total cost of \$648,000. (Together, true and correct copies of Contract 215699 and Purchase Order 5982 are attached as **Exhibit A** (the "Agreement").)

11. TOOF ultimately postponed delivery until March 2023, when Sapna Foods, Inc. delivered, and TOOF accepted, the first two truckloads of the Ancho Blend TOOF purchased under the Agreement.

12. Later, TOOF sent correspondence to Sapna Foods, Inc. refusing to accept delivery of any of the three remaining truckloads of Ancho Blend purchased under the Agreement.

13. TOOF also requested Sapna Foods, Inc. provide a certificate of analysis (COA) for the Ancho Blend. In response, Sapna Foods, Inc. provided the requested COA, which showed no statistically significant foreign contaminants in the Ancho Blend. (A true and correct copy of the COA is attached hereto as **Exhibit B.**)

14. Sapna Foods, Inc. also performed additional tests on the Ancho Blend, which found less than 0.0000333% of the Ancho Blend consisted of foreign material, far less than the Food and Drug Administration's standard of 1% for "adulterated" food product.

15. Sapna Foods, Inc.'s Director of Quality Assurance also confirmed the Ancho Blend was within specifications, safe for human consumption, and did not contain any hazardous material.

16. Despite Sapna Foods, Inc.'s providing the COA and performing additional tests demonstrating the Ancho Blend was safe and conforming to the terms of parties' Agreement and industry-standard specifications, TOOF refused to accept delivery of remaining Ancho Blend or to pay the outstanding \$648,000 owed to Sapna Foods, Inc. under the Agreement.

17. Because the Ancho Blend is a custom blend made according to TOOF's specifications, it is a unique product and no readily available market exists for Sapna Foods, Inc. to re-sell the remaining Ancho Blend.

18. Sapna Foods, Inc. therefore files this Complaint to enforce the parties' Agreement and seeks specific performance by TOOF as well as all damages accruing to Sapna Foods, Inc. for TOOF's breaches of the parties' Agreement, whether or not the Court orders TOOF to accept the remaining Ancho Blend. Sapna Foods, Inc. is also entitled to recover the costs and attorneys' fees it has incurred in this lawsuit.

COUNT I: BREACH OF CONTRACT

19. Sapna Foods, Inc. adopts and incorporates by reference each and every allegation contained in the foregoing paragraphs as if set forth fully herein.

20. Sapna Foods, Inc. and TOOF entered into a contract whereby TOOF agreed to purchase from Sapna Foods, Inc. 150,000 pounds of Ancho Blend.

21. The Agreement is a valid and enforceable contract and was entered into for good and valuable consideration.

22. All conditions precedent to filing this action have been satisfied.

23. TOOF is in breach of the Agreement as a result of its failure to accept delivery of the Ancho Blend and make payments as they became due.

24. At the time of TOOF's breaches, Sapna Foods, Inc. was in full compliance with its obligations and TOOF's breaches have not been excused in any manner.

25. As a direct result of TOOF's breaches, Sapna Foods, Inc. has suffered damages and is entitled to recover \$648,000 plus additional recoverable damages to be proven at trial, all interest allowed by law, including pre-judgement interest, and litigation expenses, including attorneys' fees. TOOF therefore requests that the Court order specific performance on the part of TOOF and award all damages recoverable under the Agreement and under Georgia law.

COUNT II: ATTORNEYS' FEES

26. Sapna Foods, Inc. adopts and incorporates by reference each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

27. Sapna Foods, Inc. is entitled to recover in an amount to be proven at trial its attorneys' fees and other litigation expenses pursuant to O.C.G.A. § 13-6-11 because TOOF has acted in bad faith, been stubbornly litigious, and caused Sapna Foods, Inc. unnecessary trouble and expense.

PRAYER FOR RELIEF

WHEREFORE, Sapna Foods, Inc. respectfully requests that this Court enter judgment in its favor and against TOOF, enforce the terms of the parties' Agreement, require TOOF to accept delivery of the Ancho Blend, and pay Sapna Foods, Inc. \$648,000, plus all additional recoverable damages, interest, and attorneys' fees and litigation expenses, and grant any other relief as this Court deems just and proper.

JURY DEMAND

Sapna Foods, Inc. hereby demands that all claims and issues triable by jury be tried to a jury.

Respectfully submitted, this ____ day of August, 2023.

/s/ Matthew S. Knoop

Matthew S. Knoop

Georgia Bar No. 140870

mknoop@polsinelli.com

POLSINELLI PC

1201 West Peachtree Street, NW

Suite 1100

Atlanta, Georgia 30309

Telephone: (404) 253-6000

Facsimile: (404) 253-6060

Counsel for Plaintiff

Sapna Foods, Inc.

CERTIFICATE OF COMPLIANCE

Pursuant to Local Rule 7.1(D), I hereby certify that the foregoing has been prepared in compliance with Local Rule 5.1 (C), using 14-point Times New Roman font.

/s/ Matthew S. Knoop

Matthew S. Knoop

Georgia Bar No. 140870

Counsel for Plaintiff, Sapna Foods, Inc.